ROANOKE CITY COUNCIL-REGULAR SESSION

January 2, 2018

10:00 a.m.

The Council of the City of Roanoke met in regular session on Tuesday, January 2, 2018, at 10:00 a.m., instead of 9:00 a.m., in the Council Chamber, Room 450, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Mayor Sherman P. Lea, Sr., presiding, pursuant to Chapter 2, <u>Administration</u>, Article II, <u>City Council</u>, Section 2-15, <u>Rules of Procedure</u>, Rule 1, <u>Regular Meetings</u>, Code of the City of Roanoke (1979), as amended, and pursuant to. Resolution No. 40879-070317 adopted by the Council on Monday, July 3, 2017.

PRESENT: Council Members William D. Bestpitch, Michelle L. Dykstra (arrived late), Raphael E. Ferris, John A. Garland, Anita J. Price, David B. Trinkle, and Mayor Sherman P. Lea. Sr.-7.

ABSENT: None-0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Robert S. Cowell, Jr., City Manager; Daniel J. Callaghan, City Attorney; and Stephanie M. Moon Reynolds, City Clerk.

ITEMS FOR ACTION:

VACANCIES ON CERTAIN AUTHORITIES, BOARDS, COMMISSIONS AND COMMITTEES APPOINTED BY COUNCIL: A communication from Mayor Sherman P. Lea, Sr., requesting that Council convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended.

(See communication on file in the City Clerk's Office.)

Council Member Bestpitch moved that Council concur in the request of the Mayor as abovementioned. The motion was seconded by Council Member Ferris and adopted by the following vote:

AYES: Council Members Bestpitch, Ferris, Garland, Price, Trinkle, and Mayor Lea-6.

NAYS: None-0.

(Council Member Dykstra was not present when vote was recorded.)

DISPOSITION OF A PORTION OF CITY-OWNED PROPERTY LOCATED AT 0 NORFOLK AVENUE, S. E., AND A PORTION OF CITY-OWNED PROPERTY LOCATED AT 26 SALEM AVENUE, S. E.: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss the disposition of a portion of City-owned property located at 0 Norfolk Avenue, S. E., and a portion of City-Owned property located at 26 Salem Avenue, S. E., where discussion in an open meeting would adversely affect the negotiating strategy of the public body, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended.

(See communication on file in the City Clerk's Office.)

Council Member Trinkle moved that Council concur in the request of the City Manager as abovementioned. The motion was seconded by Vice-Mayor Price and adopted by the following vote:

AYES: Council Members Bestpitch, Ferris, Garland, Price, Trinkle, and Mayor Lea-6.

NAYS: None-0.

(Council Member Dykstra was not present when voted was recorded.)

DISPOSITION OF A PORTION OF CITY-OWNED PROPERTY LOCATED AT 502 19TH STREET, S. E.: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss the disposition of a portion of City-owned property located at 502 19th Street, S. E., where discussion in an open meeting would adversely affect the negotiating strategy of the public body, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended.

(See communication on file in the City Clerk's Office.)

Council Member Bestpitch moved that Council concur in the request of the City Manager as abovementioned. The motion was seconded by Council Member Ferris and adopted by the following vote:

AYES: Council Members Bestpitch, Ferris, Garland, Price, Trinkle, and Mayor Lea-6.

NAYS: None-0.

(Council Member Dykstra was not present when voted was recorded.)

DISPOSITION OF A PORTION OF CITY-OWNED PROPERTY LOCATED AT 3137 PRESTON AVENUE, N. W.: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss the disposition of a portion of City-owned property located at 3137 Preston Avenue, N. W., where discussion in an open meeting would adversely affect the negotiating strategy of the public body, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended.

(See communication on file in the City Clerk's Office.)

Council Member Trinkle moved that Council concur in the request of the City Manager as abovementioned. The motion was seconded by Council Member Bestpitch and adopted by the following vote:

AYES: Council Members Bestpitch, Ferris, Garland, Price, Trinkle, and Mayor Lea-6.

NAYS: None-0.

(Council Member Dykstra was not present when voted was recorded.)

ITEMS LISTED ON THE 2:00 P.M. COUNCIL DOCKET REQUIRING DISCUSSION/CLARIFICATION AND ADDITIONS/DELETIONS TO THE 2:00 P.M. AGENDA: NONE.

TOPICS FOR DISCUSSION BY THE MAYOR AND MEMBERS OF COUNCIL: NONE.

BRIEFINGS:

Dumpsters in the Right of Way

Mark Jamison, Manager of Transportation, gave an update on dumpsters located in the City's right of way, highlighting the following items:

- Background
- Current Situation
- Benchmarking
- Suggested Model
- "Downtown"
- Next steps

(For full text, see copy of presentation on file in the City Clerk's Office.)

During discussion of the matter, concerns were raised about dumpsters/storage containers being located in close proximity of restaurants and retail businesses and its aesthetics on outdoor dining.

As discussion ensued regarding the City's implementation for removal of dumpsters in a timely manner, Council Member Dykstra entered the meeting (10:23 a.m.)

Following comprehensive discussion, Council concurred with the proposed recommendation of the Administration and the Mayor advised that the briefing would be received and filed.

General Reassessment Briefing - FY2019

Susan Lower, Director of Real Estate Valuation, and Amelia C. Merchant, Director of Finance, gave an annual overview of general reassessment for FY2019, highlighting the following items:

- FY2019 Real Estate Assessment Projections
- Assessment History by Fiscal Year
- New Construction History by Fiscal Year
- History of Residential Sales and Foreclosures
- Median Residential Sales Price 2008 to 2017
- In Summary
- Appealing an Assessment
- Tax Relief Programs
- Real Estate Fiscal Impact
- Questions & Comments
- Appendix
 - Timeline of Assessment Process
 - History of Roanoke's Projected Assessment Change
 - Tax Relief and Abatement Programs
 - History of Sales Ratio
- Council Budget Planning Work Sessions Preliminary Schedule

(For full text, see copy of presentation on file in the City Clerk's Office.)

Following the update by Ms. Lower and Ms. Merchant, the City Attorney called attention to a matter relating to real estate and real estate taxation, noting that some citizens had prepaid their real estate taxes by about \$140,000.00 through the end of calendar year 2017; that there have been some discussion as to whether localities may grant refunds due to overpayment of taxes relating to a recent IRS rule. In conclusion, he stated that the matter was still ongoing and would advise the Council of his findings.

Following remarks by the City Attorney and Council Member Bestpitch's comments regarding the briefing, Mayor Lea advised that the briefing would be received and filed.

Budget/Financial Planning Work Session FY 19

Amelia C. Merchant, Director of Finance, briefed the Council on the development of the FY 2018 – 2019 budget process.

(See presentation on file in the City Clerk's Office.)

Ms. Merchant highlighted the following:

FY18 General Fund Overview

The Director of Finance advised that actual revenue needed to grow about 1.5 percent in Fiscal Year 2018 to meet where the budget landed in Fiscal Year 2017; and added that local taxes were currently 2.8 percent ahead of 2017 through November, only 1 percent or \$600,000.00 above budget, with respect to local taxes dropping each month.

- Sales Tax Revenue Through October
- Meals Tax Revenue Through October
- Lodging Tax Revenue Through November

In terms of local taxes, Ms. Merchant pointed out that Sales Tax continued to perform adequately compared to the Fiscal Year 2018 adopted budget and was 1.4 percent over where it was in Fiscal Year 2017; Meals Tax continued to perform adequately with respect to the Fiscal Year 2018 Budget and was 1.2 percent ahead of budget for 2018; and Lodging Tax performed well compared to budget being 9.1 percent ahead of Fiscal Year 2017 and has remained steady due to activity that was not expected to be replicated in 2019.

- Personnel (Salary/Benefit) Lapse Through November
- Worker Compensation through November

Ms. Merchant indicated that in the category of worker compensation, it was tracking ahead of the last Fiscal Year at about \$700,000.00 over budget.

Public Safety Overtime Through November

In terms of public safety overtime, Ms. Merchant explained that it was \$300,000.00 ahead of target or about 86 percent above expected at this point of the Fiscal Year; and reminded the Council that as adopted in the Fiscal Year 2018 Budget, one ambulance was taken out of service, and there were higher expenses in the Sheriff's area due to inmate transport as required by the Sheriff's Office.

· Children's Services Act (CSA) through November

Ms. Merchant advised that the Children's Services Act was being monitored closely because it was 10 percent ahead of expected in the Fiscal Year and with 207 children in foster care, the expenses will continue to increase.

R. Brian Townsend, Assistant City Manager for Community Development, reminded the Council that action was taken at the end of last fiscal year to adjust the budget to increase the compensation of real estate from the State purpose; and it was about \$1 million over budget last fiscal year for the Children's Services Act whereby 73 percent was reimbursed by the Commonwealth; and if the expenses continued to move forward, it could be a local issue of about \$500,000.00 in Fiscal Year 2018.

Vice-Mayor Price asked what the contributing factors were and how the current number of children in foster care compared with years past; whereupon, Mr. Townsend advised that five to seven years ago, the average was about 200 children in foster care and over the past year, there had been an increase in children being placed in foster care as well as additional services needed, such as drug problems at infancy. He added that the average length of time a child spends in foster care is 18 months unless the child remains in the system until 18 years of age or attend college. He concluded that Council would be provided further information that would give a good indication of the root causes.

• Residential Juvenile Detention through November

Ms. Merchant continued with the presentation stating that residential juvenile detention was actually at 18.5 percent below the target point in the Fiscal Year.

- Solid Waste Tipping Fees through November
- Fleet Parts through October
- Neighborhood Infrastructure and Arts Endowment
- Estimated Local Tax Revenue Fiscal Year 2019

Ms. Merchant reviewed the revenue projections for 2019, noting a 2.3 percent local taxes increase or about \$2.5 million total gross.

Council Member Bestpitch asked if the projections included the stormwater or solid waste fees that would begin to be collected in January 2018; whereupon, Ms. Merchant replied that those fees were not included, but would be reported next month with the expense part of the budget.

- Dates to Watch for Refinement of Local Tax Estimates (update)
- Preliminary FY 2018-2019 Cost Increases

Ms. Merchant reviewed the pertinent dates and explained that non-discretionary cost increases were about \$250,000.00, a projection of what medical costs will be beginning in December 2018 and next fiscal year anticipating a 10 percent cost increase in medical premiums. She pointed out that the \$250,000.00 reserve was an amount used in the budget process to assist in increasing the budget that is set aside for Undesignated Fund Balance and Risk Reserves depending on the need at the end of the fiscal year; and \$250,000.00 for Debt Service specifically needed for the current CIP for the five years, and any additional debt.

- Priority Discussion
- Next Steps

Extensive discussion ensued with regard to the seven priorities and following several comments by the Members of Council, the City Manager advised that one of the new budget exercises was to identify tiers of the different services in terms of need and mandates by law or by adopted ordinance for prioritization.

Ms. Merchant concluded that information would be presented again at the February 5 Council Meeting which will include data on the full price of government, budget offers, capital planning and five year model updates.

Update on the DMV services

Pursuant to request of the Mayor, the Treasurer commented that DMV Selected services offered by the Treasurer's Office were successful since the City provides the service to the citizens in the surrounding jurisdictions; and spoke briefly about the implementation of a new DMV program called Real ID to be offered by October 2019, a service whereby citizens will have access to their photo identifications.

With regard to previous commitments by the City Attorney about the collection of Pre-paid Real Estate Taxes by property owners, the Treasurer advised that she has no place to post the funds and the funds were currently being held in a surplus account. She pointed out that some property owners have paid their first installment taxes due by October 5, 2018, and the second installment by April 5, 2019, were requesting refunds after learning that said funds would no longer be claimed on their income taxes. In conclusion, she reiterated that the matter was being reviewed by the City Attorney's Office.

Mayor Lea thanked Ms. Powers for the update and Ms. Merchant for the informative presentation and advised that the budget briefing would be received and filed.

At 12:11 p.m., the Mayor declared the Council Meeting in recess for a Closed Meeting to be held in the Council's Conference Room, Room 451; and thereafter to be reconvened at 2:00 p.m., in the Council Chamber.

At 2:00 p.m., the Council meeting reconvened in the Council Chamber, with Mayor Lea presiding.

PRESENT: Council Members William D. Bestpitch, Michelle L. Dykstra, Raphael E. Ferris, John A. Garland, Anita J. Price, David B. Trinkle, and Mayor Sherman P. Lea, Sr.-7.

ABSENT: None-0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Robert S. Cowell, Jr., City Manager; Daniel J. Callaghan, City Attorney; and Stephanie M. Moon Reynolds, City Clerk.

The Invocation was delivered by The Reverend Barbara C. Thomas, Pastor, Spirit of Life International Church.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Lea.

PRESENTATIONS AND ACKNOWLEDGEMENTS:

RECOGNITION OF EXECUTIVE DIRECTOR OF THE VIRGINIA MUSEUM OF TRANSPORTATION: Mayor Lea recognized Beverly T. Fitzpatrick, Jr., former Member of City Council, upon his retirement as Executive Director of the Virginia Museum of Transportation. Following accolades by the Council, the Mayor presented Mr. Fitzpatrick with a City gift.

RECOGNITION OF CITY EMPLOYEES WITH 30, 35, 40 AND 45 YEARS OF SERVICE: Mayor Lea presented and recognized City employees with 30, 35, 40 and 45 years of service. Following presentation, the Mayor announced that the Annual Service Awards Breakfast in recognition of City employees with certain years of service would be held on Wednesday, January 17 at 7:30 a.m., at the Holiday Inn — Valley View.

HEARING OF CITIZENS UPON PUBLIC MATTERS: NONE.

CONSENT AGENDA

The Mayor advised that all matters listed under the Consent Agenda are considered to be routine by the Members of Council and will be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion is desired, the item would be removed from the Consent Agenda and considered separately.

MINUTES: Minutes of the regular meeting of City Council held on Monday, December 18, 2017, was before the body.

(See Minutes on file in the City Clerk's Office.)

Council Member Bestpitch moved that the reading of the minutes be dispensed with and approved as recorded. The motion was seconded by Council Member Dykstra and adopted by the following vote:

AYES: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

NAYS: None-0.

WESTERN VIRGINIA WATER AUTHORITY: A communication from the City Clerk advising of the resignation of Wayne F. Bowers as the City Appointee of the Western Virginia Water Authority, effective January 31, 2018, was before the Council.

(See communication on file in the City Clerk's Office.)

Council Member Bestpitch moved that the resignation be accepted with regret and the communication be received and filed. The motion was seconded by Council Member Dykstra and adopted by the following vote:

AYES: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

NAYS: None-0.

OATHS OF OFFICE-WESTERN VIRGINIA REGIONAL INDUSTRIAL FACILITY AUTHORITY-HUMAN SERVICES ADVISORY BOARD-ROANOKE ARTS COMMISSION: Reports of qualification of the following individuals were before the Council:

Robert S. Cowell, Jr., as the Roanoke Citizen Appointee of the Western Virginia Regional Industrial Facility Authority to fill the unexpired term of Wayne Bowers ending February 4, 2020;

Jash Bansal as a member of the Human Services Advisory Board to fill the unexpired term of office of Cheri Hartman ending November 30, 2020; and

Jeremy W. Butterfield as a member of the Roanoke Arts Commission for a three-year term of office ending June 30, 2019.

(See Oaths or Affirmations of Office on file in the City Clerk's Office.)

Council Member Bestpitch moved that the reports of qualification be received and filed. The motion was seconded by Council Member Dykstra and adopted by the following vote:

AYES: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

NAYS: None-0.

REGULAR AGENDA

PUBLIC HEARINGS: NONE.

PETITIONS AND COMMUNICATIONS: NONE.

REPORTS OF CITY OFFICERS AND COMMENTS OF CITY MANAGER:

CITY MANAGER:

BRIEFINGS: NONE.

ITEMS RECOMMENDED FOR ACTION:

ADDENDUM TO THE PROCUREMENT MANUAL ESTABLISHING A MAXIMUM INDIRECT COST RATE: The Mayor called attention to a revised City Manager written communication and measure to affirm the Addendum to the Procurement Manual Establishing a Maximum Indirect Cost Rate from 22% to 20%.

(For full text, see revised communication on file in the City Clerk's Office.)

Council Member Ferris offered the following resolution, as amended:

(#41028-010218) A RESOLUTION affirming a new Administrative Procedure that provides guidelines for expenditures related to indirect costs for research performed through executed agreements between the City of Roanoke and institutions of higher education.

(For full text of resolution, see Resolution Book No. 79, page 432.)

Council Member Ferris moved the adoption of Resolution No. 41028-010218, as amended. The motion was seconded by Council Member Trinkle and adopted by the following vote:

AYES: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

NAYS: None-0.

COMMENTS OF CITY MANAGER.

The City Manager offered the following comments:

Guns 'N Hoses Hockey Game

- January 20, in the Berglund Center Coliseum
- This is an annual charity ice hockey tournament to benefit the Muscular Dystrophy Association, the official charity of the International Association of Firefighters.
- Local Roanoke-area firefighters (the "Hoses") take on a team of local Roanoke-area police officers and law enforcement personnel (the "Guns").

 During the last 15 years, Roanoke's Guns and Hoses has raised more \$300,000 for the MDA, and more than 66,000 people have attended the games, including three consecutive sellouts the last three years.

This year, Berglund Center will also host other ice hockey teams including:

- Rail Yard Dawgs
- Virginia Tech
- Radford College
- Roanoke College
- Valley Youth Hockey Association
- Roanoke Valley Adult Hockey Association
 Don't forget, public ice skating opportunities are available at Berglund Center.
- More information is available at <u>www.theberglundcenter.com</u>

Downtown Roanoke Restaurant Week

- From January 19 to January 28, Downtown Roanoke Inc. is promoting a special week to highlight our downtown restaurants.
- This is a great opportunity for residents and visitors to come downtown and experience some of the outstanding cuisine our city has to offer.
- Thanks to the sponsorship of First Home Care, DRI will be giving away \$500 worth of Downtown Roanoke Gift Cards during the week.
- More information is available at www.downtownroanoke.org.

REPORTS OF COMMITTEES: NONE.

UNFINISHED BUSINESS: NONE.

MOTION AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

CITY'S DISCRIMINATION AND SEXUAL HARRASSMENT POLICY: City Administration encouraged to be proactive when dealing with any type of discrimination; and to review its policy regarding discrimination and harassment, and to educate City employees that the City will maintain a working environment free from sexual harassment and harassment based on gender, sexual orientation, race, national origin, age, disability or religion.

MAYOR'S SECOND ANNUAL BUSINESS SUMIMIT: Mayor Sherman Lea's Second Annual Business Summit to be held on Tuesday, January 9, 2018, at the Roanoke CoLab, 1327 Grandin Road, S. W., from 9:00 a.m. to 12:00 Noon.

VACANCIES ON CERTAIN AUTHORITIES, BOARDS, COMMISSIONS AND COMMITTEES APPOINTED BY COUNCIL:

COUNCIL: With respect to the Closed Meeting just concluded, Council Member Bestpitch moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Council Member Dykstra and adopted by the following vote:

AYES: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

NAYS: None-0.

BOARD OF ZONING APPEALS: The Mayor called attention to the expiration of the three-year term of office of Frederick W. Bromm as a member of the Board of Zoning Appeals ending December 31, 2017; whereupon, he opened the floor for nominations.

Council Member Bestpitch placed in nomination the name of Valeria Alphin.

There being no further nominations, Ms. Alphin was appointed to replace Mr. Bromm as a member of the Board of Zoning Appeals for a term of office of three years, commencing January 1, 2018 and ending December 31, 2020, by the following vote:

FOR MS. ALPHIN: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY: The Mayor called attention to the expiration of the four-year term of office of Gilbert E. Butler, Jr., as a Commissioner of the Roanoke Redevelopment and Housing Authority ended August 31, 2017. Inasmuch as Mr. Butler having served three consecutive four-year terms of office, he was not eligible for reappointment; whereupon, Mayor Lea opened the floor for nominations.

Council Member Bestpitch placed in nomination the name of Drew Kepley.

There being no further nominations, Mr. Kepley was appointed to replace Mr. Butler as Commissioner of the Roanoke Redevelopment and Housing Authority for a term of office ending August 31, 2021, by the following vote:

FOR MR. KEPLEY: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

YOUTH SERVICES CITIZEN BOARD: The Mayor called attention to the expiration of the three-year term of office of Diane M. Casola as a (Citizen at Large) member of the Youth Services Citizen Board ended June 30, 2017; whereupon, he opened the floor for nominations.

Council Member Bestpitch placed in nomination the name of Robyn Mitchell.

There being no further nominations, Ms. Mitchell was appointed to replace Ms. Casola as a (Citizen at Large) member of the Youth Services Citizen Board for a term of office ending June 30, 2020, by the following vote:

FOR MS. MITCHELL: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

FAIR HOUSING BOARD: The Mayor called attention to the upcoming expiration of the three-year terms of office of Dennis B. Light and Charlotte H. Davis as members of the Fair Housing Board ending March 31, 2018; whereupon, he opened the floor for nominations.

Council Member Bestpitch placed in nomination the names of Dennis B. Light and Charlotte H. Davis.

There being no further nominations, Mr. Light and Ms. Davis were reappointed as members of the Fair Housing Board for terms of three-years, each, ending March 31, 2021, by the following vote:

FOR MR. LIGHT AND MS. DAVIS: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

PARKS AND RECREATION ADVISORY BOARD: The Mayor called attention to the upcoming expiration of the three-year terms of office of Troy Rech, Jerome Stephens, and Joshua Dietz as members of the Parks and Recreation Advisory Board ending March 31, 2018; whereupon, he opened the floor for nominations.

Council Member Bestpitch placed in nomination the names of Troy Rech, Jerome Stephens, and Joshua Dietz.

There being no further nominations, Messrs. Rech, Stephens, and Dietz were reappointed as members of the Parks and Recreation Advisory Board for terms of office of four years, each, ending March 31, 2021, by the following vote:

FOR MESSRS. RECH, STEPHENS, and DIETZ: Council Members Bestpitch, Dykstra, Ferris, Garland, Price, Trinkle, and Mayor Lea-7.

There being no further business to come before the Council, Mayor Lea declared the regular meeting adjourned at 2:43 p.m.

APPROVED

ATTEST:

Stephanie M. Moon Reynolds, MMC

City Clerk

Sherman P. Lea, Sr.

Mayor